

TO

U.S. DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
Washington, DC 20250

PROCEDURE NOTICE

MANUAL WSDC	ISSUE No. 318
DATE March 29, 2000	
DISTRIBUTION CODE	
"W"	NATIONAL OFFICE
"S"	STATE OFFICES
"D"	AREA OFFICES
"C"	LOCAL OFFICES
"P"	EMPLOYMENT OFFICES

NOTICE

(WS)

RD Instruction 1940-L, Exhibit A,
Attachment 2, Part II, Subpart A is
included with this PN since it was

inadvertently omitted from Procedure Notice 316 dated 02-16-00. Insert it in
the appropriate place in the Manual.

RD MANUAL CHANGES

INSERT RD INS 440.1
(WSDC)

INTEREST RATES, AMORTIZATION,
GUARANTEE FEE, ANNUAL CHARGE,
AND FIXED PERIOD. Exhibit B is

partially revised to update the Treasury Judgement Rate and various program
rates, effective March 1, 2000.

NOTE: The rate for direct Individual Recreation Loans, issued on PN 316
dated 02-16-00, was incorrect, it should have been 7.00%.

REMOVE

Exhibit B: Pages 1 & 2 (Rev 33).

INSERT

Exhibit B: Pages 1 & 2 (Rev 34).

RD HANDBOOK CHANGES

INSERT RD HB-1-3550
(WSDC)

DIRECT SINGLE FAMILY HOUSING LOANS
AND GRANTS FIELD OFFICE HANDBOOK.
This handbook is partially revised.
Specific revisions are as follows:

Chapter 4 - Attachment 4-C is partially revised to include as annual income
employer provided fringe benefits which are included as taxable income on
an employee's pay statement or W-2 statement.

Chapter 8 - Paragraph 8.6, C.1. is revised to allow the loan originator to
release the seller from liability from the amount of the debt being assumed
and CSC will handle the settlement of the remaining debt on the portion not
being assumed.

RD HANDBOOK CHANGES
INSERT RD HB-1-3550 (CON.)

Chapter 13 -

Paragraph 13.4, G and H added to provide guidance for field offices with personal service reviews when CSC is unable to contact the borrower during the payment subsidy renewal process or pre-acceleration review; and

Attachment 13-A revised to eliminate references pertinent to assumption payoff requests as they are no longer a field office function and to provide further clarification regarding third party requests.

Attachment 13-B is added to show a flow chart of the payment assistance renewal process.

Attachment 13-C is added to notify CSC that servicing assistance is needed.

Attachment 13-D is added to show a flow chart of the personal service review process within CSC and field office.

REMOVE

Table of Contents dated 05-28-98:

Pages 17, 18, 19, and 20;

Chapter 4, Attachment 4-C
dated 05-28-98:

Pages 3, 4, and 5;

Chapter 8 dated 05-28-98:

Pages 8-9 and 8-10; and

Chapter 13 dated 05-28-98:

Pages 13-7 thru 13-34 and
Attachment 13-A.

INSERT

Table of Contents dated 05-28-98:

Pages 17, 18, 19, and 20 revised;

Chapter 4, Attachment 4-C
dated 05-28-98:

Pages 3, 4, and 5 revised;

Chapter 8 dated 05-28-98:

Pages 8-9 and 8-10 revised; and

Chapter 13 dated 05-28-98:

Pages 13-7 thru 13-34 revised and
13-35 and 13-36 added,
Attachment 13-A revised, and
Attachments 13-B, 13-C, and 13-D
added 03-29-00.

INSERT RD HB-2-3550
(WSDC)

DIRECT SINGLE FAMILY HOUSING LOANS
AND GRANTS CENTRALIZED SERVICING
HANDBOOK. This handbook is partially

revised. Specific revisions are as follows:

Chapter 4 -

Paragraph 4.2, A.1. revised to provide that the borrower may continue to receive interest credit assistance if the Interest Credit Agreement expired, provided the borrower was continuously eligible for subsidy and the agreement is renewed within 6 months from the expiration date.

(CON.)

RD HANDBOOK CHANGES

INSERT RD HB-2-3550 (CON.)

Chapter 4 - (CON.)

Paragraph 4.6, A. revised to provide that subsidy agreements will be in effect for a period not to exceed 24 months. For agreements that exceed 12 months the current agreement will remain unchanged and continue for another 12 months unless there has been a 10 percent change in income.

Attachment 4-C is partially revised to include as annual income employer provided fringe benefits which are included as taxable income on an employee's pay statement or W-2 statement.

REMOVE

Table of Contents dated 05-27-98:
Pages 7, 8, 9, and 10; and
Chapter 4 dated 05-27-98:
Pages 4-1 thru 4-4 and
4-9 thru 4-19, and
Attachment 4-C: Pages 3, 4 and 5.

INSERT

Table of Contents dated 05-27-98:
Pages 7, 8, 9 and 10 revised;
Chapter 4 dated 05-27-98:
Pages 4-1 thru 4-4 and
4-9 thru 4-21 revised, and
Attachment 4-C: Pages 3, 4, and
5 revised 03-29-00.

FORM

REPLACEMENT

RD 3550-23
(WSDC)

APPLICANT ORIENTATION GUIDE revised
03-00. Prescribed in RD Handbook
HB-1-3550. The Form and FMI are

revised to update information required by the Paperwork Reduction Act of 1995 and various references. Supplies dated prior to the revision date will be disposed of or recycled. Upon receipt of this form from the printer, the Rural Development St. Louis Office will distribute 100 copies to each State, Area, and Local Office.

REMOVE

FMI dated 01-29-97.

INSERT

FMI revised 03-29-00.

NO SPECIAL PROCEDURE NOTICES RELEASED .

ADMINISTRATIVE NOTICES RELEASED :

(See attachment to PN.)